

Exclusive Content and Captive Consumers in Platforms*

Akifumi Ishihara[†]

Institute of Social Science, the University of Tokyo

Ryoko Oki[‡]

Faculty of Business Administration, Hosei University

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Abstract

This paper develops a common agency framework to investigate exclusive dealing between a multi-product firm and distribution platforms where some consumers are captive by a particular platform while others may multi-home. We show when there are captive consumers at least a part of products must be commonly supplied to multiple platforms distributors. We also show that the greater asymmetry in the initial market shares leads to exclusive supply more likely.

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[†]E-mail: akishihara@iss.u-tokyo.ac.jp

[‡]E-mail: ryoko.oki@hosei.ac.jp